

House File 454 - Introduced

HOUSE FILE _____
BY COMMITTEE ON COMMERCE

(SUCCESSOR TO HSB 61)

(COMPANION TO LSB 1236SV BY
COMMITTEE ON STATE GOVERNMENT)

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the disposition of certain unclaimed property.
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
3 TLSB 1236HV 82
4 av/gg/14

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1 1 Section 1. Section 22.7, Code 2007, is amended by adding
1 2 the following new subsection:
1 3 NEW SUBSECTION. 58. The information provided in any
1 4 report, record, claim, or other document submitted to the
1 5 treasurer of state pursuant to chapter 556 concerning
1 6 unclaimed or abandoned property, except the name and last
1 7 known address of each person appearing to be entitled to
1 8 unclaimed or abandoned property paid or delivered to the
1 9 treasurer of state pursuant to that chapter.
1 10 Sec. 2. Section 331.427, subsection 1, unnumbered
1 11 paragraph 1, Code 2007, is amended to read as follows:
1 12 Except as otherwise provided by state law, county revenues
1 13 from taxes and other sources for general county services shall
1 14 be credited to the general fund of the county, including
1 15 revenues received under sections 9I.11, 101A.3, 101A.7,
1 16 123.36, 123.143, 142B.6, 176A.8, 321.105, 321.152, 321G.7,
1 17 321I.8, ~~section 331.554, subsection 6, sections 341A.20,~~
1 18 364.3, 368.21, 423A.7, 428A.8, 430A.3, 433.15, 434.19, 445.57,
1 19 453A.35, 458A.21, 483A.12, 533.24, 556B.1, 583.6, 602.8108,
1 20 904.908, and 906.17, and the following:
1 21 Sec. 3. Section 331.554, subsections 6 and 7, Code 2007,
1 22 are amended to read as follows:
1 23 6. The amount of a check, other than a warrant,
1 24 outstanding for more than ~~one year~~ two years shall be
1 25 canceled, ~~and~~ removed from the list of outstanding checks,
1 26 ~~deposited to the account on which the check was written, and~~
~~1 27 credited as unclaimed fees and trusts and is presumed~~
~~1 28 abandoned pursuant to section 556.8. The treasurer shall~~
~~1 29 maintain a list of the checks for one year after cancellation.~~
1 30 A person may claim the amount of the canceled treasurer's
1 31 check for a period of one year after cancellation upon proper
~~1 32 proof of ownership by filing a claim with the county auditor~~
1 33 treasurer of state as provided in chapter 556.
1 34 7. A warrant ~~or other evidence of the county's~~
~~1 35 indebtedness outstanding for more than ~~one year~~ two years~~
~~2 1 shall be canceled by the auditor and the amount of the warrant~~
~~2 2 shall be credited to the fund upon which the warrant was drawn~~
2 3 is presumed abandoned pursuant to section 556.8. A person may
2 4 file a claim with the auditor for the amount of the canceled
2 5 warrant within one year of the date of the cancellation, and
~~2 6 upon showing of proper proof that the claim is true and~~
~~2 7 unpaid, the auditor shall issue a warrant drawn upon the fund~~
~~2 8 from which the original canceled warrant was drawn or other~~
2 9 evidence of the county's indebtedness by filing a claim with
2 10 the treasurer of state as provided in chapter 556. This
2 11 subsection does not apply to warrants issued upon drainage or
2 12 levee district funds or any fund upon which the county
2 13 treasurer has issued a warrant order or stamped a warrant for
2 14 want of funds.
2 15 8. An amount outstanding on a check, warrant, or other
2 16 evidence of the county's indebtedness that is presumed

2 17 abandoned as provided in subsection 6 or 7 shall be reported
2 18 and remitted to the treasurer of state by the county treasurer
2 19 on or before November 1 of the fiscal year ending on the
2 20 preceding June 30 that the obligation is presumed abandoned.

2 21 Sec. 4. Section 556.8, Code 2007, is amended to read as
2 22 follows:

2 23 556.8 PROPERTY HELD BY STATE COURTS AND PUBLIC OFFICERS
2 24 AND AGENCIES == ABANDONMENT.

2 25 1. All intangible personal property held for the owner by
2 26 any court, public corporation, public authority, agency,
2 27 instrumentality, employee, or public officer of this state, or
2 28 the United States, or a political subdivision of the state,
2 29 another state, or the United States, that has remained
2 30 unclaimed by the owner for more than two years after becoming
2 31 payable or distributable is presumed abandoned.

2 32 2. Notwithstanding any other provision of state law, an
2 33 amount outstanding on a check, warrant, or other evidence of
2 34 indebtedness of a county that has remained unclaimed by the
2 35 owner for more than two years from the date of issuance or
3 1 after becoming due and payable as determined by the county
3 2 treasurer pursuant to section 331.554, is presumed abandoned.

3 3 Sec. 5. Section 556.12, subsection 3, Code 2007, is
3 4 amended to read as follows:

3 5 3. The treasurer of state is not required to publish in
3 6 such notice any item of less than fifty one hundred dollars
3 7 unless the treasurer deems the publication to be in the public
3 8 interest.

3 9 Sec. 6. Section 556.12, subsection 4, Code 2007, is
3 10 amended by striking the subsection and inserting in lieu
3 11 thereof the following:

3 12 4. The treasurer of state may mail a notice to each person
3 13 listed in a report filed by the holder of unclaimed property,
3 14 at the last known address of that person if the treasurer
3 15 deems such notice to be in the best interests of that person
3 16 and has reason to believe that the address submitted by the
3 17 holder is sufficient to ensure that delivery of such notice
3 18 will likely occur.

3 19 Sec. 7. Section 556.13, subsection 1, Code 2007, is
3 20 amended to read as follows:

3 21 1. Except for property held in a safe deposit box or other
3 22 safekeeping depository, upon filing the report required by
3 23 section 556.11, the holder of property presumed abandoned
3 24 shall pay, deliver, or cause to be paid or delivered to the
3 25 administrator the property described in the report as
3 26 unclaimed, but if the property is an automatically renewable
3 27 deposit, and a penalty or forfeiture in the payment of
3 28 interest would result, the time for compliance is extended
3 29 until a penalty or forfeiture would no longer result.

3 30 ~~Tangible~~ At the direction of the treasurer of state, the
3 31 holder of tangible property held in a safe deposit box or
3 32 other safekeeping depository shall not be delivered deliver
3 33 the property to the treasurer of state until one hundred
3 34 twenty days at the same time as or after filing the abandoned
3 35 property report required in section 556.11.

4 1 Sec. 8. Section 556.20, Code 2007, is amended to read as
4 2 follows:

4 3 556.20 DETERMINATION OF CLAIMS.

4 4 1. The ~~state~~ treasurer of state shall consider any claim
4 5 filed under this chapter and may hold a hearing and receive
4 6 evidence concerning ~~it~~ the claim. If a hearing is held, the
4 7 treasurer shall prepare a finding and a decision in writing on
4 8 each claim filed, stating the substance of any evidence heard
4 9 by the treasurer and the reasons for the treasurer's decision.
4 10 The decision shall be a public record.

4 11 2. If the claim is allowed, the ~~state~~ treasurer of state
4 12 shall make payment forthwith. The claim shall be paid without
4 13 deduction for costs of notices or sale or for service charges.
4 14 The treasurer or an employee thereof shall not be held liable
4 15 in any action for any claim paid in good faith pursuant to
4 16 this section. However, a claimant, attorney in fact, or
4 17 attorney or any other person representing a claimant to whom
4 18 such payment is made may be held liable to a person who proves
4 19 a superior right to the payment.

4 20 3. As a condition precedent to payment of any claim filed
4 21 under this chapter, the treasurer of state may require that
4 22 the claimant or owner of the unclaimed or abandoned property
4 23 furnish the treasurer with a surety bond containing terms and
4 24 provisions acceptable to the treasurer and issued by a
4 25 corporate surety authorized to do business in this state or
4 26 with such other form of indemnification and protection that is
4 27 determined by the treasurer to be acceptable and sufficient to

4 28 protect the treasurer and the state against any loss,
4 29 liability, or damage which may arise out of or result from the
4 30 payment of the claim by the treasurer. The claimant or owner
4 31 shall be responsible for all premiums, costs, fees, or other
4 32 expenses associated with any such surety bond or other form of
4 33 indemnification and protection required pursuant to this
4 34 subsection.

4 35 Sec. 9. NEW SECTION. 556.24A PUBLIC RECORDS.

5 1 1. The treasurer of state shall maintain a public record
5 2 of the name and last known address of each person appearing to
5 3 be entitled to unclaimed or abandoned property paid or
5 4 delivered to the treasurer pursuant to this chapter.

5 5 2. Notwithstanding any other provision of law, any other
5 6 identifying information set forth in any report, record,
5 7 claim, or other document submitted to the treasurer of state
5 8 pursuant to this chapter concerning unclaimed or abandoned
5 9 property is a confidential record as provided in section 22.7
5 10 and shall be made available for public examination or copying
5 11 only in the discretion of the treasurer.

5 12 EXPLANATION

5 13 This bill relates to the disposition of certain unclaimed
5 14 property that is presumed abandoned by the treasurer of state.

5 15 Code section 331.427 is amended to correspond to changes in
5 16 Code section 331.554 requiring the amounts of checks
5 17 evidencing a county's indebtedness, that are presumed
5 18 abandoned pursuant to Code chapter 556, to be remitted to the
5 19 treasurer of state instead of being retained in the county's
5 20 general fund.

5 21 Code section 331.554 is amended to provide that when a
5 22 check, warrant, or other evidence of a county's indebtedness
5 23 remains outstanding for more than two years, it shall be
5 24 canceled and presumed abandoned pursuant to Code section
5 25 556.8. A person may claim the property by filing a claim with
5 26 the treasurer of state as provided in Code chapter 556. Code
5 27 section 331.554 is also amended to require the county to
5 28 report and remit the amount of such unclaimed property to the
5 29 treasurer of state on or before November 1 of the fiscal year
5 30 ending on the preceding June 30 that the obligation is
5 31 presumed abandoned.

5 32 Code section 556.8 is amended to provide that an amount
5 33 outstanding on a check, warrant, or other indebtedness of a
5 34 county that has remained unclaimed by the owner for more than
5 35 two years from the date of issuance or after becoming due and
6 1 payable, as determined by the county treasurer pursuant to
6 2 Code section 331.554, is presumed abandoned.

6 3 Code section 556.12 is amended to provide that the
6 4 treasurer of state is not required to publish a notice of
6 5 abandoned property concerning any item with a value of less
6 6 than \$100 instead of \$50.

6 7 Code section 556.12 is also amended to provide that the
6 8 treasurer may mail a notice to each person listed in a report
6 9 filed by a holder of unclaimed property at the last known
6 10 address of that person if the treasurer deems such notice is
6 11 in the best interests of that person and has reason to believe
6 12 that the address submitted by the holder of the property is
6 13 sufficient to ensure that delivery of such notice will likely
6 14 occur.

6 15 Code section 556.13 is amended to require the holder of
6 16 tangible property held in a safe deposit box or other
6 17 safekeeping depository to deliver the property to the
6 18 treasurer of state at the treasurer's direction at the same
6 19 time as or after the holder files an abandoned property report
6 20 required under Code section 556.11. Currently, such property
6 21 shall not be delivered to the treasurer until 120 days after
6 22 filing that report.

6 23 Code section 556.20 is amended to provide that the
6 24 treasurer or an employee of the treasurer cannot be held
6 25 liable in any action for any claim paid in good faith,
6 26 although a claimant or other specified person representing a
6 27 claimant to whom a claim is paid may be held liable to a
6 28 person who proves a superior right to the payment.

6 29 Code section 556.20 is also amended to allow the treasurer,
6 30 prior to payment of a claim filed under the chapter, to
6 31 require a claimant or owner of unclaimed or abandoned property
6 32 to furnish a surety bond or other form of indemnification and
6 33 protection determined acceptable and sufficient by the
6 34 treasurer to protect the treasurer and the state against any
6 35 loss, liability, or damage which may arise out of or result
7 1 from the payment of the claim by the treasurer. The claimant
7 2 or owner is responsible for all costs associated with such a
7 3 surety bond, indemnification, or other protection.

7 4 New Code section 556.24A requires the treasurer to maintain
7 5 a public record of the name and last known address of each
7 6 person appearing to be entitled to unclaimed or abandoned
7 7 property paid or delivered to the treasurer pursuant to Code
7 8 chapter 556. The bill also provides that any other
7 9 identifying information set forth in any report, record,
7 10 claim, or other document submitted to the treasurer of state
7 11 concerning unclaimed or abandoned property is a confidential
7 12 record as provided in Code section 22.7 and shall be made
7 13 available for public examination or copying only in the
7 14 discretion of the treasurer. Code section 22.7 is also
7 15 amended to include such records as confidential records for
7 16 the purposes of Code chapter 22.
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